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RONALD C. WESTON, SR., CLERK
U.S. DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

MICHAEL BRUCE VORCE,

Defendant.
_____ /

No.

Hon.

1:08-cr-282

Robert Holmes Bell
U.S. District Judge

INDICTMENT

The Grand Jury charges:

COUNT 1

Between on or about March 28, 2002, and September 6, 2002, in the Southern
Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial
institution, specifically Founders Trust Bank.

The defendant accomplished this scheme by obtaining a loan totaling \$292,000
from Founders Trust Bank, which the bank made after considering personal financial
information and other documents supplied by the defendant. The information supplied
by the defendant was false and he knew it to be false. The defendant supplied the bank
with false income tax returns indicating falsely inflated income earned by the defendant
in past years. The income tax returns indicated that they had been prepared by a tax
preparer when in fact the tax preparer had never prepared such documents. The

defendant also supplied false wage documents as support for his loan. These wage documents indicated earnings for the defendant which had been altered to reflect falsely inflated earnings.

18 U.S.C. § 1344(1)

COUNT 2

Between on or about May 28, 2002, and September 1, 2006, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically Irwin Union Bank.

The defendant, operating under the business names West Michigan Yachts and Barrett Bruce Holdings LLC, accomplished this scheme by obtaining a series of loans totaling over \$8,600,000 from Irwin Union Bank. The bank made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the bank with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loans.

The bank also relied upon false information, supplied by the defendant, relating to collateral in making loans to the defendant. The defendant represented that many of the loans he requested were to buy boats. As part of the loan process, the bank requested information about the boats so that they could be listed as collateral. The defendant supplied the bank with information about 30 boats to be used as collateral for

the loans. However, 24 of the boats identified by the defendant did not exist, as he well knew. The bank relied upon this false information to its detriment.

18 U.S.C. § 1344(1)

COUNT 3

Between on or about April 25, 2003, and June 21, 2006, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically LaSalle Bank.

The defendant, operating under the business names West Michigan Yachts and Barrett Bruce Holdings LLC, accomplished this scheme by obtaining a series of loans totaling over \$2,220,000 from LaSalle Bank. The bank made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the bank with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loans.

The bank also relied upon false information, supplied by the defendant, relating to collateral in making loans to the defendant. The defendant represented that many of the loans he requested would be secured by boats as collateral. All of the boats the defendant identified as collateral were fictitious, as he well knew. The bank relied upon this false information to its detriment.

18 U.S.C. § 1344(1)

COUNT 4

Between on or about July 6, 2004, and June 16, 2005, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically Bank of America.

The defendant, operating under his own name and in the business name West Michigan Yachts, accomplished this scheme by obtaining a series of loans totaling over \$1,975,000 from Bank of America. The bank made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the bank with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loans.

The bank also relied upon false information, supplied by the defendant, relating to collateral in making loans to the defendant. The defendant represented that all of the loans would be secured by boats as collateral. As part of the loan process, the bank requested information about the boats so that they could be listed as collateral. The defendant knowingly supplied the bank with fictitious information about boats which

did not exist. The bank relied upon this false information to its detriment.

18 U.S.C. § 1344(1)

COUNT 5

On or about June 24, 2005, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically Wachovia Bank.

The defendant accomplished this scheme by obtaining a loan for \$250,000 from Wachovia Bank. The bank made this loan after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the bank with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loan.

The bank also relied upon false information, supplied by the defendant, relating to a boat pledged as collateral for the loan to the defendant. The defendant represented that he would use the loan proceeds to buy a boat, and identified the particular boat he was purchasing. As part of the loan process, the bank requested information about the boat so that it could be listed as collateral. The defendant knowingly supplied the bank with false information about the boat, which did not exist. The bank relied upon this false information to its detriment.

18 U.S.C. § 1344(1)

COUNT 6

From in or about October 2004, to December 6, 2006, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically Macatawa Bank.

The defendant, operating under the business names West Michigan Yachts and Barrett Bruce Holdings LLC, accomplished this scheme by obtaining a series of loans totaling over \$9,200,000 from Macatawa Bank. The bank made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the bank with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loans.

The bank also relied upon false information, supplied by the defendant, relating to collateral in making loans to the defendant. The defendant represented that many of the loans he requested were to buy boats. As part of the loan process, the bank requested information about the boats so that they could be listed as collateral. The defendant supplied the bank with information about 26 boats to be used as collateral for

the loans. However, 22 of the boats identified did not exist, as the defendant well knew.

The bank relied upon this false information to its detriment.

18 U.S.C. § 1344(1)

COUNT 7

On or about July 11, 2006, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically National City Bank.

The defendant accomplished this scheme by obtaining a loan for \$370,000 from National City Bank. The bank made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the bank with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loan.

The bank also relied upon false information, supplied by the defendant, relating to a boat pledged as collateral for the loan to the defendant. The defendant represented that he would use the loan proceeds to buy a boat, and identified the particular boat he was purchasing. As part of the loan process, the bank requested information about the boat so that it could be listed as collateral. The defendant knowingly supplied the bank with false information about the boat, which did not exist. The bank relied upon this false information in making the loan to the defendant.

18 U.S.C. § 1344(1)

COUNT 8

From on or about August 4, 2006, to February 28, 2007, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically Lake Michigan Credit Union.

The defendant, operating under his own name, the business name West Michigan Yachts and others, accomplished this scheme by obtaining a series of loans totaling over \$4,700,000 from Lake Michigan Credit Union. The credit union made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the credit union with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loans.

The credit union also relied upon false information, supplied by the defendant, relating to collateral in making loans to the defendant. The defendant represented that many of the loans he requested were to buy boats. As part of the loan process, the credit union requested information about the boats so that they could be listed as collateral. The defendant supplied the credit union with information about 16 boats to

be used as collateral for the loans. However, 13 of the boats identified did not exist, as the defendant well knew. The credit union relied upon this false information to its detriment.

18 U.S.C. § 1344(1)

COUNT 9

On or about February 16, 2007, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically Michigan State University Federal Credit Union.

The defendant accomplished this scheme by obtaining two loans totaling \$100,000 from Michigan State University Federal Credit Union. The credit union made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the credit union with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The credit union relied upon this false information in making its loans to the defendant.

18 U.S.C. § 1344(1)

COUNT 10

On or about March 3, 2007, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically Independent Bank.

The defendant, operating under the business names West Michigan Yachts and Barrett Bruce Holdings LLC, accomplished this scheme by obtaining a loan for \$200,135 from Independent Bank. The bank made these loans after considering personal financial information and other documents supplied by the defendant. The information supplied by the defendant was false and he knew it to be false. The defendant supplied the bank with false income tax returns indicating falsely inflated income earned by the defendant in past years. The income tax returns indicated that they had been prepared by a tax preparer when in fact the tax preparer had never prepared such documents. The defendant also supplied false financial documents as support for his loan.

The bank also relied upon false information, supplied by the defendant, relating to a boat pledged as collateral for the loan to the defendant. The defendant represented that he would use the loan proceeds to buy a boat, and identified the particular boat he was purchasing. As part of the loan process, the bank requested information about the boat so that it could be listed as collateral. The defendant knowingly supplied the bank with false information about the boat, which did not exist. The bank relied upon this

false information in making the loan to the defendant.

18 U.S.C. § 1344(1)

COUNT 11

On or about July 11, 2006, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did conduct a financial transaction affecting interstate commerce, involving the proceeds of a specified unlawful activity, knowing that the transaction was designed in whole or in part to conceal and disguise the location, source, ownership and control of those proceeds and knowing that the proceeds were the result of some form of unlawful activity. Specifically, the defendant obtained a \$370,000 loan from National City Bank after defrauding the bank in the manner described in Count 7 of this indictment, incorporated here by reference. On that same day the defendant transferred \$369,983 to his personal checking account at LaSalle Bank, account #4960000770. When the defendant was questioned by LaSalle Bank representatives about the source of these funds, the defendant concealed the true source of the funds by falsely representing that they came from the sale of a boat.

18 U.S.C. § 1956(a)(1)(B)(i)

COUNT 12

On or about August 4, 2006, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did conduct a financial transaction affecting interstate commerce, involving the proceeds of a specified unlawful activity, knowing that the transaction was designed in whole or in part to conceal and disguise the location, source, ownership and control of those proceeds and knowing that the proceeds were the result of some form of unlawful activity. Specifically, the defendant obtained a \$500,000 loan from Lake Michigan Credit Union after defrauding the credit union in the manner described in Count 8 of this indictment, incorporated here by reference. On August 4, 2006, the defendant transferred \$469,842 to his personal checking account at LaSalle Bank, account #4960000770. When the defendant was questioned by LaSalle Bank representatives about the source of these funds, the defendant concealed the true source of the funds by falsely representing that they came from the sale of a boat.

18 U.S.C. § 1956(a)(1)(B)(i)

COUNT 13

On or about February 11, 2005, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly engage in a monetary transaction by, through or to a financial institution affecting interstate commerce, in criminally derived property, of a value greater than \$10,000, derived from the proceeds of a specified unlawful activity. Specifically, the defendant defrauded Macatawa Bank of \$225,000 in the manner described in Count 6 of this Indictment, incorporated here by reference. The defendant deposited the proceeds of this loan into Macatawa Bank Account No. 415001401. Later that same day, the defendant wrote a check for \$20,276.01 to A.K. Rikks Menswear to purchase clothing.

18 U.S.C. §1957

COUNT 14

On or about August 15, 2007, in the Southern Division of the Western District of Michigan, and elsewhere,

MICHAEL BRUCE VORCE

did knowingly possess, without lawful authority, a means of identification of another person during and in relation to the felony offense of bank fraud in violation of 18 U.S.C. § 1344. Specifically, the defendant applied for and obtained a Michigan Identification card in the name of another individual named Stephen Joseph Gregosky III, by presenting the Michigan Secretary of State with other documents bearing Gregosky's name. The defendant used this false identification to obtain bank accounts under fraudulent pretenses from Washington Mutual Bank and Chase Bank.

18 U.S.C. § 1028A

COUNT 15

Between on or about June 12 and June 13, 2006, in the Southern Division of the Western District of Michigan,

MICHAEL BRUCE VORCE,

having devised a scheme and artifice to defraud, and for obtaining money by false and fraudulent pretenses, representations and promises, did transmit writings, signs and signals by means of wire in interstate commerce for the purpose of executing the scheme.

THE SCHEME TO DEFRAUD

The defendant, operating out of Grand Rapids Michigan, contacted an individual named Bruce Gregory Harrison, a resident of Greensboro, North Carolina, about obtaining a loan. The defendant fraudulently represented that this loan would be secured by a boat as collateral, when in fact he knew the boat identified as collateral did not exist. Harrison relied on this false representation and agreed to make a loan of \$300,000 to the defendant.

USE OF INTERSTATE WIRES TO EXECUTE THE SCHEME

The defendant transmitted the false information about the fictitious boat to be used as collateral to Harrison via interstate wires between Michigan and North Carolina. After being misled by the defendant about the existence of a valuable boat to secure the loan, Harrison wire transferred two separate payments, totaling \$300,000, from his bank account in North Carolina to a LaSalle Bank account controlled by the

defendant in Grand Rapids, Michigan.

18 U.S.C. § 1343

(Forfeiture Allegations)

Upon conviction of the financial institution fraud, money laundering and wire fraud offenses charged in Counts 1 through 13 and 15 of this indictment, which are incorporated here by reference,

MICHAEL BRUCE VORCE

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), all right, title, and interest in any and all property involved in each offense in violation of Title 18, United States Code, Sections 1956 and 1957 (money laundering), or conspiracy to commit such offense, for which the defendant is convicted, and all property traceable to such property; and pursuant to Title 18, United States Code, Sections 982(a)(2), 981(a)(1)(C) and Title 28 U.S.C. Section 2461, any property constituting or derived from proceeds obtained directly or indirectly as a result of a violation of Title 18, United States Code, Section 1344 (financial institution fraud), Title 18, United States Code, Sections 1956 and 1957 (money laundering) and Title 18, United States Code, Section 1343 (wire fraud), and all property traceable to such property, including but not limited to:

1. MONEY JUDGMENT: a sum of money equal to \$16,166,716 in United States currency, representing the amount of proceeds obtained, directly or indirectly, as a result of the offenses charged in Counts 1 through 13 and/or 15.

2. COMPUTERS:

- a. one HP Media Center PC (personal computer), Serial Number MXK53801FH;
- b. one Western Digital Hard Drive, Serial Number WCAM99709187;

- c. one IBM Laptop Think Pad, Type 2373 KTU, Serial Number 99-K92KT.

3. SUBSTITUTE ASSETS: If any of the above-described property, as a result of any act or omission of the defendant,

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred, sold to, or deposited with a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p) to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above, as being subject to forfeiture as substitute assets.

18 U.S.C. § 981(a)(1)(C)

18 U.S.C. § 982(a)(1)

18 U.S.C. § 982(a)(2)

18 U.S.C. § 982(b)

21 U.S.C. § 853(p)

28 U.S.C. § 2461

18 U.S.C. § 1343

18 U.S.C. § 1344

18 U.S.C. § 1956

18 U.S.C. § 1957

DONALD A. DAVIS
United States Attorney

TIMOTHY P. VERHEY
Assistant United States Attorney

A TRUE BILL

GRAND JURY FOREPERSON